GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5252
ANSWERED ON:29.04.2005
ILLEGAL TRANSACTION OF FOREIGN EXCHANGE
Mahato Shri Bir Sing;Yadav Shri Giridhari

Will the Minister of FINANCE be pleased to state:

(a) Whether the Government have detected any cases of illegal transaction of foreign exchange in the country during each of the last six months;

(b) If so, the details thereof, State-wise;

(c) the amount of foreign exchange recovered during the above period, State-wise; and

(d) the steps taken by the Government to check the illegal transaction of foreign exchange?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a): During the last six months, 14 Show Cause Notices under Foreign Exchange Management Act, 1999 have been issued by Enforcement Directorate, on detection and conclusion of investigation of cases involving illegal transaction of foreign exchange. The month wise number of the Show Cause Notices issued are as under:

October, 2004	5
November, 2004	1
December, 2004	2
January, 2005	-
February, 2005	4
March, 2005	2

(b) & (c): As per Annexure.

(d) Whenever instances of illegal transaction of foreign exchange are brought to the notice of Enforcement Directorate, action under Foreign Exchange Management Act is taken.

ANNEXURE

LOK SABHA UNSTARRED QUESTION NO.5252 ON ILLEGAL TRANSACTION OF FOREIGN EXCHANGE

(a) The State-wise details are as follows:

State	No. of Show Cause Notice issued	Amount involved (Rs.in lakhs approx)
Andhra Pradesh	4	29.88
Assam	1	0.33
Gujarat	3	548.43
Maharashtra	5	423.94
Tamil Nadu	1	19.92

(b) Name of the State | Amount of foreign exchange recovered

Maharashtra	Foreign exchange equivalent of Rs.2.48 lakhs
Tamil Nadu	US.$. 10900 Sing.$. 1200
- do -	US.$. 25557
West Bengal	BD Taka 5100